1 WALTER WILHELM LAW GROUP A Professional Corporation Riley C. Walter #91839 Danielle J. Bethel #315945 205 East River Park Circle, Ste. 410 Fresno, CA 93720 (559) 435-9800 Telephone: Facsimile: (559) 435-9868 5 E-mail: rilevwalter@w2lg.com 6 Attorneys for Tulare Local Healthcare District, dba Tulare Regional Medical Center IN THE UNITED STATES BANKRUPTCY COURT 8 EASTERN DISTRICT OF CALIFORNIA 9 FRESNO DIVISION 10 CASE NO. 17-13797 In re 11 DC No.: WW-40 TULARE LOCAL HEALTHCARE 12 DISTRICT, dba TULARE REGIONAL Chapter 9 MEDICAL CENTER, 13 Debtor. Date: July 19, 2018 14 Time: 9:30 a.m. 94-6002897 Tax ID #: 2500 Tulare Street Place: 15 Address: 869 N. Cherry Street Fresno, CA 93721 Tulare, CA 93274 Courtroom 13 16 Honorable René Lastreto II Judge: 17 18 DECLARATION OF CHIEF ADMINISTRATIVE OFFICER, SANFORD HASKINS IN SUPPORT OF MOTION FOR AUTHORIZATION TO REJECT EXECUTORY 19 CONTRACT (TOYOTA TRUST LEASE) 20 I. Sanford Haskins, hereby declare and represent as follows: 21 My name is Sanford Haskins. I am the Chief Administrative Officer of 1. 22 Tulare Local Healthcare District, dba Tulare Regional Medical Center ("Debtor" or 23 "District"). 24 2. I have been involved in the healthcare industry for over 40 years. 25 /// 26 /// 27 /// 28 DECLARATION OF SANFORD HASKINS IN 1

- 3. I have personal knowledge of the facts contained herein and if I was called as a witness, I could and would testify as is set out in this Declaration. I am over the age of 18, have present knowledge, and am competent to testify to the matters contained in this Declaration.
  - 4. On September 30, 2017, Debtor filed for Chapter 9 bankruptcy.
- 5. On October 29, 2016 ("Effective Date"), the Debtor entered into Closed-End Motor Vehicle Lease Agreement ("Lease Agreement") with Gropetti LTD, Inc. A true and correct copy of the Lease Agreement is hereto as Exhibit A.
- 6. According to the Lease Agreement, the Lease Agreement it was to be subsequently assigned to Toyota Lease Trust and serviced by Toyota Motor Credit Corporation. Attached as Exhibit "B" is a copy of the most recently received invoice pertaining to the Lease Agreement from Toyota Financial Services.
- 7. The subject matter of the Lease Agreement is a 2015 Toyota Prius with Vin number ending in -7866. The Lease Agreement calls for 36 consecutive monthly payments beginning on the Effective Date. At the end of the term of the Lease Agreement TRMC is required to either return or purchase the vehicle for \$14,415.
- 8. I have personally analyzed the Lease Agreement and determined in my business judgment that the Lease Agreement should be rejected.
- 9. The District leases another, almost identical vehicle from the same lessor at similar terms. Additionally, the District has other vehicles at its disposal that are not subject to monthly lease payments.
- 10. Accordingly, based on my experience, knowledge, and business judgment, the District's transportation needs are met without the Lease Agreement thus the Lease Agreement should be terminated.
- 11. I made this determination based on my experience in the healthcare industry and the needs of the Debtor. I informed the District's leadership of my recommendation that Debtor should terminate the Lease Agreement.

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